

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

In re:) Chapter 11
)
EASTERN LIVESTOCK CO., LLC,) Case No. 10-93904-BHL-11
)
Debtor.)

MOTION TO COMPROMISE AND NOTICE OF OBJECTION DEADLINE
(Willie Downs and Willie Downs Livestock, Inc.)

The *Trustee's Motion To Approve Compromise Of Controversy Among Eastern Livestock Co., LLC, Willie Downs, And Willie Downs Livestock, Inc.* (the "Motion") was filed by James A. Knauer, as chapter 11 trustee (the "Trustee") for the estate ("Estate") of Eastern Livestock Co., LLC (the "Debtor") on April 18, 2013 in the above-captioned Chapter 11 case (the "Chapter 11 Case").

The Motion seeks court approval, pursuant to Rule 9019(a) of the Federal Rules of Bankruptcy Procedure, of the proposed compromise ("Settlement Agreement") with William O. Downs ("Willie Downs") and Willie Downs Livestock, Inc. ("Downs Livestock") (together, "Downs"). A summary of the Motion follows:

1. Downs historically represented Debtor and was paid commissions from Debtor's cattle transactions. Downs Livestock filed a proof of claim in the amount of \$56,000 [Claim No. 279] (the "Downs Proof of Claim"). Downs also contends that Debtor owes more than \$800,000 in unpaid commissions.
2. On March 22, 2011, the Trustee commenced adversary proceeding no. 11-59086 (the "Adversary Proceeding") against Willie Downs asserting preference and fraudulent transfer claims. On September 26, 2011, the Trustee amended his complaint to add defendants Bluegrass Stockyards, LLC, Bluegrass Stockyards East, LLC, Bluegrass Stockyards of Richmond, LLC, and Laurel Livestock Market, Inc. Willie Downs filed an answer in which he denied all liability and wrongdoing.
3. The Trustee and Downs desire to resolve and settle their disputes without further litigation or admission of any fault or liability. Under the proposed Settlement Agreement, Downs will pay \$10,000 to the Trustee for the benefit of the Estate. Downs also will withdraw and release all claims against the Debtor's Estate, Trustee, and Trustee's professionals including but not limited to the Downs Proof of Claim. The Trustee will dismiss the Adversary Proceeding. Downs and Trustee will also mutually release each other (and each other's officers, directors, employees, shareholders, attorneys, insurers, agents and affiliates, predecessors, successors, past, present and future parents, subsidiaries, assigns and heirs) from all claims or causes of action known or unknown, direct or indirect, related to the Chapter 11 Case.
4. If approved by the Court, the result of the settlement will be a reduction in the total amount of unsecured claims in the Chapter 11 Case, thus increasing any percentage payment to the remaining unsecured claims. The Settlement Agreement will also resolve expensive and time consuming litigation.

NOTICE IS GIVEN that any objection must be filed with the Bankruptcy Clerk within **21 days** from date of service (May 9, 2013). Those not required or not permitted to file electronically must deliver any objection by U.S. mail, courier, overnight/express mail, or in person at:

Clerk, U.S. Bankruptcy Court
110 U.S. Courthouse
121 W. Spring St.
New Albany, IN 47150

The objecting party must ensure delivery of the objection to the party filing the motion. **If an objection is NOT timely filed, the requested relief may be granted without further hearing on the Trustee's Motion.**

WHEREFORE, the Trustee moves the Court for an order approving the compromise as filed in this matter.

FAEGRE BAKER DANIELS LLP

By: /s/ Kevin M. Toner

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